



benefit summary 2010

for monthly-paid colleagues

PHYSICIANS, SENIOR MANAGEMENT, DEFINED MEDICAL STAFF

Lahey Clinic offers a highly competitive and innovative benefits package. Our benefits program plays a vital role in demonstrating the organization's commitment to its colleagues. The following summary is an overview of the program. More detailed information regarding the entire benefits package may be obtained from the Human Resources Recruitment Staff by calling (781) 744-8750 in Burlington, (978) 538-4169 at Lahey North, or (978) 739-8118 for Community Group Practices.

FLEXIBLE BENEFITS

Colleagues who are regularly scheduled to work 20 hours (50% time) or more per week, are eligible to participate in the **LaheyFlex** Program, effective the first day of benefits-eligible employment. In addition to offering you and your eligible dependents the opportunity to select those benefits and coverage levels that best suit your needs, **LaheyFlex** also helps you save taxes by allowing you to use pre-tax dollars to pay for medical and dental premiums and other expenses, such as dependent care. You also have the opportunity to decline certain benefits and receive credits to either purchase other benefits or to receive the credits as additional taxable income in your paycheck.

EMPLOYEE SELF SERVICE THROUGH COLLEAGUE CONNECTION

Colleague Connection is Lahey's Self Service application that enables colleagues to view and modify their personal data in a secure environment. With this tool, colleagues can view their paycheck, change their address, phone number, emergency contact information and enroll for benefits upon becoming benefits-eligible.

MEDICAL INSURANCE You have a choice of five (5) medical plans: Tufts Health Plan EPO (HMO), Harvard Pilgrim Health Care (HMO), BCBS Network Blue New England (HMO), BCBS Blue Choice II New England (POS), and Harvard Pilgrim Preferred Provider Organization (PPO). If you work 30 hours (75% time) or more per week, you are eligible to receive credits in lieu of medical insurance, if you provide documentation of alternative coverage. Effective July 1, 2007, Massachusetts State Law requires all Massachusetts residents to have medical coverage. Enrollment in a medical plan through **LaheyFlex** provides you with Condition Management benefits through Alere as well, which can help you manage a variety of chronic conditions such as diabetes or a heart condition. The following page contains the current monthly costs to you for medical insurance based on your regularly scheduled weekly work hours.



LAHEYFLEX COLLEAGUE PAYROLL DEDUCTIONS (Effective January 1, 2010)

	36-40 hours	30-35 hours	20-29 hours
	Monthly	Monthly	Monthly
Tufts Health Plan EPO (HMO)			
Individual	\$162.00	\$218.00	\$275.00
Individual plus Spouse	\$390.00	\$514.00	\$638.00
Individual plus One Child	\$347.00	\$442.00	\$536.00
Individual plus Family (two or more eligible dependents)	\$428.00	\$597.00	\$766.00
Harvard Pilgrim HMO			
Individual	\$184.00	\$240.00	\$297.00
Individual plus Spouse	\$479.00	\$603.00	\$727.00
Individual plus One Child	\$427.00	\$522.00	\$616.00
Individual plus Family (two or more eligible dependents)	\$527.00	\$696.00	\$865.00
BCBS Network Blue New England HMO			
Individual	\$237.00	\$293.00	\$350.00
Individual plus Spouse	\$576.00	\$700.00	\$824.00
Individual plus One Child	\$513.00	\$608.00	\$702.00
Individual plus Family (two or more eligible dependents)	\$634.00	\$803.00	\$972.00
Harvard Pilgrim PPO			
Individual	\$372.00	\$428.00	\$485.00
Individual plus Spouse	\$992.00	\$1,116.00	\$1,240.00
Individual plus One Child	\$884.00	\$979.00	\$1,073.00
Individual plus Family (two or more eligible dependents)	\$1,092.00	\$1,261.00	\$1,430.00
BCBS Blue Choice II POS			
Individual	\$398.00	\$454.00	\$511.00
Individual plus Spouse	\$996.00	\$1,120.00	\$1,244.00
Individual plus One Child	\$886.00	\$981.00	\$1,075.00
Individual plus Family (two or more eligible dependents)	\$1,095.00	\$1,264.00	\$1,433.00
Delta-High Option			
Individual	\$25.03	\$28.17	\$31.32
Individual plus Spouse	\$70.00	\$76.23	\$82.46
Individual plus One Child	\$67.31	\$71.99	\$76.66
Individual plus Family (two or more eligible dependents)	\$74.08	\$84.45	\$94.84
Delta-Low Option			
Individual	\$11.48	\$14.62	\$17.77
Individual plus Spouse	\$31.72	\$37.95	\$44.18
Individual plus One Child	\$30.49	\$35.17	\$39.84
Individual plus Family (two or more eligible dependents)	\$33.57	\$43.94	\$54.33

Note: LaheyFlex medical and dental premiums are paid with pre-tax dollars.

DENTAL INSURANCE Dental insurance is available through Delta Dental Plan of Massachusetts. Lahey offers you a choice between two (2) plans: Dental High and Dental Low. If you are scheduled to work 30 hours (75% time) or more per week, you are eligible to receive credits in lieu of dental insurance. Proof of other coverage is not required. The chart on the left shows the current monthly costs to you for dental insurance based on your regularly scheduled weekly work hours.



PRE-TAX REIMBURSEMENT ACCOUNTS (HEALTH AND DEPENDENT CARE)

Two (2) reimbursement account programs are available under the **LaheyFlex** Program. They offer you the opportunity to pay for dependent care and certain medical/dental expenses on a pre-tax basis. This means you will pay less tax and increase your take-home pay at the same time. You may contribute up to \$5,000 in pre-tax dollars to a Health Care Reimbursement Account to pay for certain out-of-pocket medical/dental expenses and over-the-counter drugs and supplies not covered by insurance plans. You can pay for eligible expenses electronically with a “Benny” card, a MasterCard linked to your Health Care Account. You may contribute up to \$5,000 per family in pre-tax dollars (subject to required IRS testing) to a Dependent Care Reimbursement Account to pay for dependent care expenses. These accounts are voluntary and should be carefully considered because unused contributions cannot be returned to you. Benefit Concepts administers both accounts.

BASIC TERM LIFE INSURANCE You have a choice of three (3) basic life insurance options: \$10,000, 1x annual salary or 2x annual salary (maximum of \$100,000). Lahey provides you with enough credits to purchase 2x annual salary. However, based on your needs, you may choose to buy less coverage. This deduction is taken on a before-tax basis. If your basic life insurance coverage is greater than \$50,000, you will have “imputed income” added to your income for tax purposes on a weekly basis. Imputed income is an amount that reflects the premiums paid on company provided life insurance over \$50,000. The IRS requires you to pay taxes on this amount.

SUPPLEMENTAL TERM LIFE INSURANCE For added protection, you may purchase supplemental life insurance equal to an additional 1x to 5x your annual salary, up to a maximum of \$1,650,000. You must elect 2x annual salary in basic life insurance in order to elect supplemental life. The cost is based on age and salary. This deduction is taken on an after-tax basis.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (AD&D) AD&D insurance pays a benefit in addition to your life insurance benefit in the event of death or a dismembering injury due to an accident. There are four (4) benefit levels to choose from: \$50,000; \$100,000; \$150,000; \$250,000; or no coverage. You may also choose to purchase coverage for your family. This deduction is taken on a before-tax basis.

DEPENDENT LIFE INSURANCE Dependent life insurance pays you a lump-sum benefit if your spouse or dependent dies. Your options include: \$10,000 spouse/\$5,000 each eligible child; \$20,000 spouse/\$10,000 each eligible child; or no coverage. This deduction is taken on an after-tax basis.

LONG-TERM DISABILITY INSURANCE (LTD) Long-term disability insurance provides a benefit if you become ill or disabled and are unable to work indefinitely. This benefit is available if you are regularly scheduled to work 20 or more hours per week or 50% time. Your options include 70% of monthly salary or no coverage. The maximum monthly benefit is \$26,250 per month and is effective after the 26-week salary continuation program. This deduction is taken on an after-tax basis. Therefore, if you receive a benefit under the plan, no tax will be taken from your benefit payment.

LONG-TERM CARE INSURANCE Long-term care insurance covers the cost of nursing home or other long-term care services not typically covered by medical or disability plans. At the annual long-term care enrollment period, newly eligible colleagues have the option to purchase coverage without evidence of good health. Your spouse and/or your parents and parents-in-law are also eligible to enroll. There are a number of options from which to choose.



TIME-OFF BENEFITS

VACATION ACCRUAL You receive four (4) weeks of vacation in each calendar year, and five (5) weeks starting in the year of your tenth anniversary of service or in the year of your 45th birthday. You receive six (6) weeks of vacation in the year of your twentieth anniversary of service or in the year of your 55th birthday, provided you have also reached your fifteenth anniversary. The above accruals do not apply to Community Group Practice Physicians on productivity. You must take at least three (3) weeks of vacation per year. Once you have met the minimum usage requirement, remaining time may be carried over to the next year. Time away in excess of six (6) consecutive weeks must be approved by the Board of Governors. The maximum amount of vacation time that you may hold in accumulation is five times the differential between your annual accruable vacation time and three (3) weeks. Vacation time allocated during a partial calendar year will be prorated.



SALARY CONTINUATION DURING ILLNESS If you are unable to work due to an illness, injury, or a combination of illnesses, you may be eligible for paid sick leave in the amount of your regular salary (less amounts received or obtainable, if any, from Social Security, workers' compensation, or other available disability programs) up to a maximum of twenty-six (26) consecutive weeks, or twenty-six (26) weeks in a two-year period for an intermittent illness.

PAID HOLIDAYS You receive ten (10) paid holidays per year, prorated for those who work a part-time schedule. Some of these are fixed and some are floating holidays depending on your work site. Float holidays not taken within the calendar year will be forfeited.

BEREAVEMENT PAY You are allowed time off with pay for up to three (3) consecutive working days for the death of an immediate family member which includes spouse, child, parent, grandchild, grandparent, sibling, or anyone else living in your household. Family members include step-relatives. In the event of the death of an in-law, aunt or uncle, you are allowed time off with pay for one (1) day.

JURY DUTY You are allowed time off as a juror or as a subpoenaed witness (except if you are party to the action). You will continue to receive your regular pay and must submit to Lahey Clinic any payment you receive while serving on jury duty. All benefits continue while you are on jury duty.

FAMILY LEAVE (FMLA) After completing 90 days of employment, you are eligible for an up-to-twelve (12) week unpaid leave for the birth of a child, placement of a child for adoption or foster care, the care of an immediate family member with a serious health condition, or when a serious health condition prevents you from performing your job. You may be eligible to participate in the Salary Continuation During Illness program or use your vacation and/or float holiday time during the absence, depending on the reason for the leave. Our practice for maternity leave is to allow you to use salary continuation for the disability portion of your leave, usually eight (8) weeks. The remainder of the leave is unpaid or you may choose to use accrued vacation and float holiday time.

MILITARY LEAVE Lahey Clinic complies with all applicable requirements of the Federal Uniformed Services Employment and Re-Employment Rights Act of 1994 in granting Military Leave to colleagues.



RETIREMENT BENEFITS

PENSION PLAN In addition to your Social Security benefits, Lahey Clinic provides retirement income through a defined benefit pension plan. The pension plan does not require you to contribute. If you are at least 21 years of age and you have worked twelve (12) consecutive months, you are eligible for pension plan participation on April 1 or October 1 following one (1) year of service. Each year you must have at least 1,000 hours of credited service to participate and/or remain in the plan. You receive full credit for a year of service if you work 2,000 or more hours per year. If you work 1,000 hours per year, but less than 2,000 hours per year, you receive proportional credit for service. You are vested after five (5) years of service.



LAHEY CLINIC 403(b) RETIREMENT SAVINGS PLAN As an employee of a non-profit organization, you are eligible to participate in the Lahey Clinic 403(b) Retirement Savings Plan by allocating a percentage of your pay to the 403(b) Plan. Fidelity Investments is the record keeper and administers the enrollment process. The annual IRS-contribution limit for 2010 is \$16,500. You may be eligible for the age 50-plus Catch-Up contribution, which allows an additional \$5,500 contribution in 2010. The 403(b) Plan allows you to defer taxes on contributions and earnings, making the plan a particularly effective way to save for retirement.

LAHEY CLINIC 457(b) NON-QUALIFIED DEFERRED COMPENSATION PLAN FOR CERTAIN PHYSICIANS, SENIOR MANAGEMENT AND DEFINED MEDICAL STAFF Subject to certain requirements, you may be eligible to participate in the Lahey Clinic 457(b) Non-qualified Deferred Compensation Plan for Certain Physicians, Senior Management and Defined Medical Staff through Fidelity Investments. Your deferrals to the Lahey Clinic 457(b) Plan would be in addition to the deferrals made to the Lahey Clinic 403(b) Retirement Savings Plan. You must intend to reach the annual 403(b) maximum to contribute to the 457(b). Thus, in 2010 you may be eligible to defer up to \$16,500 to your 457(b) account; in addition to contributing \$16,500 to your 403(b) account, \$22,000 if you are age 50 or older. The Internal Revenue Service requires that all compensation deferred under the Plan remain part of Lahey Clinic's general assets and therefore are subject to certain risks.

ADDITIONAL BENEFITS/SERVICES

MEDICAL EDUCATION MEETINGS Lahey Clinic supports continuing medical education. A significant number of educational programs with CME credits are offered at Lahey Clinic. For educational meetings outside of Lahey, it is expected that you consider local programs whenever possible. Requests for attendance at meetings require the approval of the Department Chair. Sixty (60) days' advance notice is required to ensure appropriate arrangements can be made for all patient appointments.

TRAVEL ACCIDENT INSURANCE Lahey Clinic has provided for a travel accident insurance policy with limits up to \$500,000. This coverage is for accidental death or dismemberment while away from Lahey on any Clinic business anywhere in the world. Normal commuting is not covered.

MALPRACTICE INSURANCE Lahey Clinic provides malpractice insurance through the Lahey Clinic Insurance Company, LTD. Coverage is extended for professional services of a medical nature performed anywhere in the world, while acting within the scope of your professional responsibilities for Lahey Clinic, provided original suit is brought in the USA, its territories or possessions, Canada or Bermuda. As a condition of insurance, you must cooperate with the insurance carrier. Failure to cooperate may result in your assuming responsibility for the liability.

PROFESSIONAL DUES Lahey Clinic recognizes the need for you to participate in various professional societies. Dues will be paid for the societies chosen by your Department Chair and approved by the Board of Governors up to a maximum of \$1,000. Lahey does not pay for journals unless the journal cost is incorporated into the dues.

SPECIALTY CERTIFICATION BOARD EXAMINATION Appointment to the Senior Staff is ordinarily dependent upon obtaining Specialty or Subspecialty Board Certification. Lahey Clinic will, therefore, provide time off, fees, travel, hotel and per diem for the initial sitting of the Specialty and/or Subspecialty Board examination. Application fees paid prior to your joining the Lahey Clinic will not be reimbursed. Five (5) working days of allowed education time may be utilized for review prior to the initial examination. Lahey will support the expense of the recertification examination.

LICENSE FEE Lahey Clinic pays initial and renewal fees for Massachusetts medical registration and narcotic licenses.

INTELLECTUAL PROPERTY RIGHTS AND COPYRIGHTS All rights to intellectual property and copyrights developed or conceived during employment with Lahey Clinic or with participation in the development of such property, must be shared in a manner consistent with institutional policy.

TUITION ASSISTANCE As a Lahey Clinic colleague regularly scheduled to work 50% or more hours per month, you are eligible to receive tuition assistance for approved undergraduate and graduate courses (other than Medical School courses) that begin after your date of employment. Maximum reimbursement per academic year (September 1st to August 31st), for courses in which you receive a “C” or better, varies according to your regularly scheduled hours: Full time (90-100% time), \$2,000; part time (75-89% time), \$1,600; and part time (50-74% time), \$1,000.

ADOPTION REIMBURSEMENT If you are regularly scheduled to work 20 hours (50% time) or more per week, Lahey Clinic provides reimbursement for your eligible adoption-related expenses, up to \$6,000 per child.

DEPENDENT CARE RESOURCE AND REFERRAL The Lahey Clinic contracts with the Child Care Resource Center (CCRC) to provide free resource and referral services for childcare, eldercare and adoption. CCRC provides the childcare resource and referrals and subcontracts with local specialists for eldercare and adoption resources. Services are available Monday through Friday, 9:00 a.m. – 5:00 p.m., by calling (617) 547-2982 or 1-800-582-8215. Please identify yourself as a Lahey Clinic colleague when calling.

- **CHILDCARE** The Child Care Resource Center’s services help colleagues explore all types of childcare arrangements for children up to 12 years old. The specialists will help you become an informed consumer, thereby allowing you to then choose the childcare program most suited to your family’s needs.
- **ELDERCARE** This service offers colleagues ongoing access to information and advice that will help you manage your care giving responsibilities. Information on benefits, insurance, healthcare, legal concerns and nationwide eldercare resources can be provided.
- **ADOPTION** Adoption consultants are able to assist colleagues who are in all stages of the adoption process. Consultants can help colleagues identify their needs, discuss adoption options, and offer material and resources.

ALPHA CREDIT UNION The Credit Union is available to all colleagues. Providing services similar to a full-service bank, the Credit Union allows you to save money through payroll deductions, with quick access to your money. Members can apply for loans or take advantage of the Credit Union’s other services. Alpha Credit Union Representatives can be reached in Boston at (617) 632-8163 or on-line at: bidmc.harvard.edu/alpha.

METPAY MetLife Auto & Home’s METPAY program offers a personal property insurance program designed for Lahey Clinic that allows colleagues to obtain auto, home and other types of insurance. Enrollment in the METPAY program allows you to pay for your insurance(s) through convenient payroll deductions.

EMPLOYEE ASSISTANCE PROGRAM (EAP) The Employee Assistance Program is a confidential short-term counseling and referral program for colleagues and family members who are experiencing personal or job-related problems. The EAP is staffed by an experienced social worker and is available at no charge.

DIRECT DEPOSIT You may choose to have your payroll check directly deposited in full to either a checking or savings account at the financial institution of your choice that allows direct deposit transfers.

AUTOMATED TELLER MACHINE (ATM) An ATM is located in the 41 Mall Road Building lobby.

CAFETERIA Colleagues may take advantage of the cafeteria and Lahey Café located in the 29, 31 and 41 Mall Road Buildings. Meal costs in the cafeteria are partially subsidized by Lahey. You must show your Lahey Clinic identification badge to receive the discount. You may also enroll in the Cafeteria Payroll Deduction Program by contacting Payroll or Food Services.

PLANNED LAHEY ACTIVITIES FOR YOU (PLAY) PLAY is a committee of Lahey colleagues which plans and organizes activities and events. In addition, PLAY is a member of the statewide organization, Massachusetts Association for Recreation and Employee Services (MARES), and offers discounted tickets to movies, theater shows and athletic events.

DISCOUNTS The Outpatient Pharmacy, Hearing Aid Center and Optical Shop provide discounts to Lahey colleagues. Discounts are also available for cosmetic surgery services.

The information contained in these pages should be considered only a partial list of benefit options. In no case should a decision regarding benefits be made without reviewing the more complete information available. In all cases, benefits are subject to conditions and limitations that should be thoroughly understood and considered.